

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7107**

**BILL NUMBER:** SB 409

**NOTE PREPARED:** Jan 10, 2010

**BILL AMENDED:**

**SUBJECT:** Foreign defamation judgments.

**FIRST AUTHOR:** Sen. Stutzman

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that an Indiana court is not required to recognize a judgment in a defamation action rendered in a jurisdiction located outside the United States unless the Indiana court before which the matter is brought first determines that the law applied in the defamation action in the foreign jurisdiction provided at least as much protection for freedom of speech and freedom of press as would be provided by the Constitution of the United States and the Constitution of the State of Indiana if the defamation action had been brought in Indiana.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** When civil actions occur and court fees are collected, revenue to the state General Fund increases. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

**Explanation of Local Expenditures:** The bill should have a minimal effect on civil filings. The number of foreign judgments that are enforced in Indiana courts is not reported, but not expected to be many. As proposed, a court would determine whether the jurisdiction from which the judgment was issued provides as much freedom of speech and press as provided in the state and U.S. Constitutions. As a result, this bill

would have minimal to no effect on Indiana if an Indiana court does not recognize a judgment from a foreign court because the foreign jurisdiction does not have the same equal protections of speech or press.

These civil cases are likely to be either in the civil plenary category, which according to the *Indiana Judicial Report* involve ordering a person to restrain from certain actions or compelling a person to carry out a certain act, or a civil tort, which would involve finding whether certain harm has occurred and determining the cost of these damages. According to the Weighted Caseload Classification, each of these cases take about two hours to resolve.

**Explanation of Local Revenues:** *Court Fee Revenue:* When civil actions occur, local governments receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

**State Agencies Affected:**

**Local Agencies Affected:** Trial courts, city and town courts.

**Information Sources:** *2008 Indiana Judicial Report.*

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